App. F. IX-4.

1925-26

Previous references. (Genl)

File No. 71-25

Serial Nos. 4-7

Later references.
Genl 108-26 (1-2)
133-25

preserve

(22)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Jons

Part B for Aug 26

SUBJECT

Return of the 2 Government of India promotion for Rs 500 each

5331

WD 01264—GDB—40,000—17-12-25

General and Revenue Secretariat | Ecst File No. 71 of 1926

Serial No

4 From the Dir of Ecst
no. C. 577-7 dt 13.4.26
Returns the Govt. of India's rules for Rs 5000- cash and requests that they may be endorsed in favour of the Dewan of Mysore duly signed by the Chief Secy & retransmitted to him pdq

1) The Dir of Ecst states that the endorsement is to be attested by the Chief Secy, but the Rev Secy. is now in charge of the Ecst Dept.

2) The rules are in the usual form

The Govts are in the usual form

Rev Secy
15/4/26

3) The Geological dept is merged in the Coml & Rev Dept and the Chief Secy is the Head of the office

4) The Govt may be endorsed by the Chief Secy (by the omission of the Secretary to the Govt) and dispatched as advised by the P. D

We need not complicate matters further the Geological Survey work the Rev Secy may be in charge of the Ecst Section

571/14.4

NOTE—Contn. Sheet

1st. member of Geological Survey

15.4.26

571

Serial No

5) What were the bonds deposited with Govt for How are they now and by whom & are deposits of a temporary

15/4/26 Please put up Thiel. pam by with note & thanks & thanks in 10/5 WP 20/4

7) The original file contg the consult note sent to the C.B ~~was sent~~ as per orders of the Dewan was never received back in spite of personal requisi & reminders the ~~original~~ file required was therefore obtained from the Director Geol as a extract put up.

22.5.26 25 B 87 Please bring up immediately WP 26/5

Two bonds of Rs. 5000/- each :—

9) These bonds were received in the Geol Deptt from the Mysore Manganese Company in March 1906 as a security-deposit for the mining lease to be granted to them & the State Geologist (Mr E. W Wetherell) was then Ex-officio Secy to Govt in the Geol

Serial No.

Dept the endorsements were made in his name As no lease was granted to them a Communication was made in 1908, to the applicants to submit their claims to the bonds as the Company had become defunct but no reply has yet been received the interest on the bonds amounting to Rs 700/- has to be drawn & to do so they (bonds) have now to be in the name of the Govt & an endorsement in favour is necessary by the Chief Secy (Refer - Para 3 of rules).

10) for orders

29/5/26. (R Sec[y])

WD 29/5

Chief Secy)

Cdrs 29.5.26

WD 29/5

5 From the Under Secy Geol No. 8246-3/ dated 3.6.26 Requests the return of the bonds duly endorsed.

WD WD

12) The circumstances in which these two bonds came to be in the Office of the Dir of Geology, have been explained in the Dir's letter as well as in the Office note above.

13) From a discussion I had with the Asst Secy

11) Move to the Secy of State for endorsement & signature

WD 1/6

—Contn. Sheet

WD 01264—GPB—40,000—17-12-25

General and Revenue Secretariat | Revl File No. 71 of 1925

Serial No.

Sir (who was for a considerable time in charge of the Loan Section in the Comptr's Office), I understand that there are only 2 courses open to the Govt now :-

i) The person in whose name the last endorsem has been made (Mr E W Wetherall in this case if he is alive now may be asked to endorse it to the Dewan of Mysore,

or ii) If Mr S. W. Wetherall is not alive now or his whereabouts cannot be easily ascertained the Govt (thro' the Chief Secy) should file a suit in the District Judge's Court, or an applⁿ in the Dr Magr's Court, in the C & M States, for being declared the proprietors of the bonds in question

(The two bonds are in a sealed cover placed below)

14) It is only after either of these courses is adopted & the Govt is recognised as the legal proprietor of the Pro. Notes, that any interest which has now accrued, can be drawn on them.

15) The file may perhaps be sent to Comptr for remarks

Rev Secy) WD 9/6/26

~~Ch Secy~~)

16) [The Ld Secy may be consulted as to whether the real owner of the Bonds now is at present.] The circumstances under which the Bonds came into the possession of Govt are detailed in Para 9. in Ex Wetherall

NOTE—Contn. Sheet

5371

WD 01264—GPB —40,000—17-12-25

General and Revenue Secretariat

File No. 71 of 192 6

Serial No.

because the endorsee of the bonds by virtue of his ~~of~~ position whether under the circumstances it is necessary to file a suit for a declaration that this necessary in effect the Chief Secy, ~~is~~ ~~holds~~ derives a title to the bonds is also for consideration

~~Lords~~

Lt Secy with empolls

CRO 12.6.2

WD 13/6

Rec'd 19/5/26

General and Revenue Secretariat | Rev L File No. 71 of 192 5.

Serial No.

17) I find that the whole transaction has proceeded on wrong lines from the very start

18) Under Section 6(1) of the Indian Securities Act the Dewan of Mysore is the only Mysore Government officer that has been notified by the Government of India so that it is only in respect of a bond made out or indorsed in his name that the bond is deemed to be transferred without any or further indorsement from each holder of the office to the succeeding holder of the office. In the present case the endorsement is in the following term "Pay to E.W.Wetherall Esq. officiating Secretary to the Government of His Highness the Maharaja of Mysore, Geological Department." "Secretary to Government of Mysore" not being an office which has been notified under Section 6(1) the bond should not have been taken out at all in the name of the Secretary and even if it had been so taken at each succession to the office, the bond should have been endorsed to the name of the successor. The Government of India will be technically right if they should refuse to accept any endorsement that may now be made by any officer claiming to be the successor of Mr. Wetherall.

19) Further in cases like the present one where endorsements are made to a personal name with the addition of a description indicating official capacity, legal status &c. the general rule is to disregard entirely the designation added after the name and to treat the note in all respects as if it were the personal property of the individual. Government does not undertake the responsibility of making an enquiry as to who is the person actually holding the office

Serial No.

or position so described and if any person other tha the endorsee claims to be qualified to ~~dispurxxxxf~~ dispose of the note not as the heir, executor or personal representative of the indorsee but as being his successor in office his claim should not be entertained unless the office is one notified under Section 6(1) (Vide Para 43 Government Securities Manual).

2) Though the general rule is as stated above, I find that in letter dated 13th March 1926 to the Comptroller, the Secretary and Treasurer, Public ~~Dxpxxxxxxxx~~x Debt Office is prepared to waive all technical objections in the circumstances explained to him and to recognise the endorsement by the Chief Secretary as the successor of the Secretary to the Geological Department in the name of the Dewan of Mysore. In these circumstances there is no need to file any suit. The bonds may be endorsed in favour of the Dewan by the Chief Secretary as the successor of the defunct Geological Secretary.

Flag D.

Rev Sec'y
with Compts.

2) The Compt'r may also be v.o.'d consulted now if app.e 13.7 cag 13.7

Rev Sec'y)

GEN. & REV. SECRETARIAT
14 JUL 1926
INDUSTRIES & COMMERCE
BRANCH.

15/7

Yes
Rao
22.7.26

COMPTROLLER'S OFFICE
23 JUL 1926

2) - Forwarded v.r'd with compliments, WLP to the Comptroller in Mysore, for favour of his views in the matter

22/7/26

BO
Dewanpeacky
for Rev Secretary

NOTE—Comm. Sheet

WD 01264—GPB—40,000—17-12-25
App. F. III—2]

General and Revenue Secretariat

File No. 71 of 192 5

No. 290. S.L. / Encls. 2 bonds. / 28-7-26

Serial No. 2

No. 3218/27

23) Returned with Complements
The endorsements on the bonds
may be made by the Chief
Secretary.

S. Khanna
27.7.26

24) To Chief Secy with compliments

GRS 28.7.26

28/7

25) Draft submd
29.7.26

26) Issue
GRS
29.7.26

6) F.O.,

Dy Chief Secy
No 4914. 29/7/26
Return the Bonds duly endorsed

7) From the Dir of Ind
No. 5214-8 dt 31-7-26.
Acknowledges the receipt of the
2 pro-notes sent with SL-6

27) The correspondence may now
be closed for files.

for 2nd 4/8/26

Rdr 4) WDH/8

GRS 5/8

6/8

COMMERCE & REV. SECRETARIAT
6-AUG 1926

NOTE—Contains Slips

Extract from the Audit Report of the Geological Department

Observation by the Auditor.

Acceptance of depreciated paper in lieu of cash security.

The Department is in the habit of receiving 3½% Government of India Promissory Notes by way of Security Deposits from its constituents and keeping them in its own custody in contravention of the Account Rules on the subject. (Vide Art.329 M.A.C. Vol.I.) The existene of three such promissory notes was discovered. Two of them bearing Nos. 031999 and 32001 dated 30th June 1854 of the face value of Rs.500/- each are lying in the office without attention for the last 17 years. They are endorsed to E.W.Wetherall, Esq Officiating Secretary to Government, Geological Department and are said to be the Security Deposit tendered by the Mysore Manganese Company whinh is no longer in existence The interest due on the bonds has not been drawn from 1906 and accumulated amount to-day comes to about Rs.700/- Immediate steps may be taken to transfer the bonds to the custody of the Comptroller and to arrange to draw the accrued interest, the question of their proprietorship being settled later on

The third is the property of the firm of Messrs. Manickvelu Mudaliar & Son. Lease-holder of No.159 for chrome and forms their security deposit for the due fulfilment of the contract It is also a 3½% Government of India Pro-Note of the face value of Rs.1,000/- bearing No.Mis.026072 dated 1-5-1865, and is endorsed to the Dewan of Mysore. It is not known how the depreciated paper was accepted in lieu of cash security and how it was kept in the custody of the Department in contravention of the existing rules on the subject. As the market value of the bond is to-day Rs.680/-

the party may be given notice to take it back and deposit cash of Rs.1,000/- immediately

OPTION OF THE DIRECTOR GEOLOGY

It is incorrect to say that the Department is in the habit of receiving Government of India Pro-Notes by way of security deposits It is only in some three instances that bonds were sent by the applicants on account of security deposits The first few cases were in the year 1906 received from the Mysore Manganese Company or the Madras-Mysore Mining Syndiate in advance with applications for leases before any demand arose consequent on the sanction. The disposal of the appliations necessitated the return of the deposits and the bonds were returned

The two bonds of Rs.500 each referred to in the Auditor's note however, remained in the custody of the Department as there was no claim from the proper party for the same

The bonds should have been sent to the Comptroller or the Treasury for the safe custody and drawing of interest and I admit it is a mistake on the part of the Department in not seeing to this. It appears to have escaped even Mr. Dutta's audit inspection.

The two bonds are now being sent to the Comptroller for the drawing of interest and safe custody

BOND FOR RS.1,000/-

When the Pro-Note was received from Messrs. Manickvelu Mudaliar & Sons in payment of security deposits, the Comptroller was addressed to in the matter and it was ascertained from him that bonds should not be accepted for such payments as they are likely to depreciate in value

Moreover, the rules required paymnet of deposits in cash. Accordingly the party was required to send in cash in lieu of the bond and this has not been done The lease ~~was~~ however was granted Pressure will now be put upon the party to remit cash at an early date and take back his bond. In the meantime, the bond is sent to the Comptroller for safe custody and drawing of accrued interest.

(1) (15) Secl. 71-25

42495 No. S.577-7

Secl. - Two bonds herein

Dated, Bangalore, 13-4-26

GEN. & REV. SECRETARIAT
14 APR 1926
INDUSTRIES & COMMERCE BRANCH.

D 5331

Urgent

GENL. & REV. SECTT.
Bg.
13. APR. 1926
G. D. SECTION.

From

A. M. SEN, Esq., M.Sc., F.G.S, Etc.,
Offg. Director, Mysore Geological Department.

To

P. G. D'Souza, Esquire, B.A., B.L.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore.

Sir,

I have the honour to forward herewith the marginally noted two Government of India Pro-notes for Rs.500/-each and to request their return to me duly endorsed in favour of the Dewan of Mysore.

It will be seen that the bonds are endorsed in favour of Mr.E.W. Wethrell, Offg.Secretary to Government, Geological Department in March 1906 and as the Chief Secretary is the official successor to the defunct Geological Secretariat your signature is now required for the endorsement in favour of the Dewan of Mysore, to enable the Comptroller to keep the bonds in safe custody and to draw the accrued and further interest on the bonds. Copies of correspondence with the Comptroller in the matter are forwarded herewith for your information. The favour of an early return of the bonds is requested.

I have the honour to be
Sir,
Your most obedient servant

A. M. Sen

Offg. Director,
Mysore Geological Department.

C.N.

Why are these sent in an ordinary cover like this? The Dy. Secy should send them by reg. post. Please send them to the Cash section in a safe custody & I wanted for reference in future file

13/4

Notes prepared in sealed cover

Letter No.C/577, dated 4th January 1926, from the Director, Mysore Geological Department, to the Comptroller, Mysore Government.

I have the honour to forward herewith for safe custody and drawing of accrued and further interest the marginally noted three Government of India Promissory Notes of the nominal value of Rs.500/-, Rs.500/- and Rs.1000/- respectively and to request an acknowledgment of their receipt.

Government of India Promissory Notes. 3½%.
1.No.031999 of 1854-55, dated 30th June 1854, for Rs.500/-
2.No.032001 of 1854-55, dated 30th June 1854, for Rs.500/-
endorsed to E.W.Wetherell, Esq., Offg. Secretary to Government, Geological Department. Interest drawn up to 29th June 1905.
3

The first two of the above are refundable to the Mysore Manganese Co. now defunct and in the absence of a proper claim they have been kept back.

+ + +

Copy.

Offg. Director,
Mysore Geological Department.

C.N.

B

Letter No.1925 Sl., dated 11th January 1926, from the Comptroller, Mysore Government, to the Director Mysore Geological Department.

Referring to your letter No.C/577, dated 4th January 1928, forwarding for safe custody three Government of India Promissory Notes for Rs.2,000/-, I have the honour to state that the two bonds Nos.032001 and 031999 have been endorsed in favour of Mr.E.W.Wetherell, instead of the Dewan of Mysore which is not in accordance with the rule laid down in Article 326 of Mysore Account Code Volume I. I therefore request to be informed whether the bonds were not so endorsed in his official capacity and whether it is provided for in any agreement executed by the Mysore Manganese Co., Ltd. The bonds referred to above are herewith returned for reference and return.

As per rules no officer is entitled to hold bonds in his official capacity other than the Dewan of Mysore. Agreement should also be got executed in the name of the Dewan.

+ + + + +

Copy.

A. M. Lee

Offg. Director,
Mysore Geological Department.

C.N.

Letter No.C/577-3,dated 22nd January 1926, from the Director,Mysore Geological Department to the Comptroller, Mysore Government

---

Referring to your letter No.1925 Sl.,dated 11th January 1926, returning the 3 Government of India Promissary Notes for Rs.2000/- with certain enquiries and objections, I have the honour to state as follows:-

1. The two bonds of Rs.500/- each herewith retransmitted were received from the Mysore Manganese Company in Mrach 1906 along with an application for a Mining Lease for manganese, the amount of Rs.1000/-being intended for being held as security for the fulfilment of the terms of the lease to be granted. The endorsement was made by the Secretary to the Company in favour of Mr.E.W. Wetherell who was at that time the Officiating Secretary to Government in the Geological Department and it will therefore be seen that the endorsements made are in the official capacity of Mr.Wetherell.

Since no lease was issued in pursuance of the application there has been no agreement executed by the Company. The bonds are not therefore held as security in respect of any agreement.

In view of the above the two bonds in question became returnable to the Company and accordingly in May 1908 a letter was addressed to the applicant informing of the Government decision not to grant the lease and requiring to submit a claim to the bonds as the Manganese Company by that time has become defunct. It is now over 17 years since the above communication was addressed and there has been no response yet.

In order to make the endorsement conformable to the Rules which requires that it should be in the name of the Dewan of Mysore, an endorsement may now be made by the Chief Secretary to Government who is the present official successor to the defunct Geological

Secretary. This, I think, will rectify matters. If so you may arrange to have the bonds endorsed by the Chief Secretary in favour of the Dewan or it will be got done by me if the bonds are returned to me with your opinion.

+ + + +

Copy.

Offg. Director,
Mysore Geological Department.

C.N

9 6

Letter No.3248, dated 22nd March 1926, from the Comptroller to the Government of His Highness the Maharaja of Mysore, to the Director, Mysore Geological Department

I have the honour to return herewith the two Government of India Pro-notes for Rs.500/- each forwarded with your letter No.C.577-3, dated 21st January 1926 and a copy of letter No.1707, dated 13th March 1926, received from the Public Debt Office, Madras, and to request that the same may be retransmitted to this office for further action after getting the bonds endorsed in favour of the Dewan of Mysore by the Chief Secretary to Government who is the present official successor to the defunct Geological Secretary.

Please acknowledge receipt.

Copy.

Offg. Director,
Mysore Geological Department.

C.N.

Letter No.1707, dated 13th March 1926, from the Secretary and Treasurer, Public Debt Office Imperial Bank of India, Madras to the Comptroller in Mysore Bangalore

In returning herewith the undernoted two Government promissory notes received with your letter No.2099/SL, dated 1st ultimo, I have the honour to inform you that the notes in question may be endorsed by the Chief Secretary to the Mysore Government the Successor of the Secretary to the defunct Geological Department) in the name of the Dewan of Mysore

Please acknowledge receipt.

No.031999 & 032001
of 1854-55 for Rs.500/- each.

Copy.

Offg. Director,
Mysore Geological Department.

C.N.

M. G. D. 12.

Geol. 71-25-5

No. 544-3 Dated, Bangalore, 3rd June 19

GEN. & REV. SECRETARIAT
4-JUN 1926
INDUSTRIES & COMMERCE
BRANCH.

From

B. JAYA RAM, ESQUIRE, F.G.S.,
Director, Mysore Geological Department.

To

C. Ranganatha Rao Saheb, Esq., B.A., B.L.,
Secretary to the Government of His
Highness the Maharaja of Mysore,
Revenue Department

GRO 4.6.26 WB 4/6

Sir,

As directed in G.O.No.I.C.7115-16 Geol.71-25-3 dated 14th April 1926 para 2-(10)- Security Deposits I have the honour to report as follows:-

1. The bonds in question were forwarded to the Comptroller on 4th January 1926 for safe custody &c

2. The two bonds of Rs.500/- each endorsed in 1906 in favour of Mr. E.W. Wetherell, the then Officiating Secretary, Geological Department, were required as per standing rules to be endorsed in favour of the Dewan of Mysore and accordingly they were forwarded on 13th April 1926 to the Chief Secretary to Government for necessary endorsement under his signature (vide this office letter No.C.577-7, dated 13-4-1926) The bonds have not yet come back from him.

3. In regard to the other bond of Rs 1000/- defect in the endorsements were pointed out by the Comptroll and required to be rectified. Messrs.V.Manickavelu Mudaliar & Son., the last endorsers, were asked to do so and at the same time pressure was put on them for paying cash in lieu of the bond. In reply they said they would pay cash if the bond was returned to them. In view of the objections in the matter of the endorsements and to facilitate the realization of cash from

Messrs

Messrs. Manickavelu Mudaliar & Son , in lieu of the bond, it was considered desirable to return the same to them duly endorsed in their favour Accordingly the bond was sent to you with this office letter No.C.562-4, dated 19th April 1926, for return with the necessary endorsement.

4. It is requested that all the three bonds referred to in paras 2 & 3 above may kindly be returned to this office at an early date with the necessary endorsements as required.

I have the honour to be,

Sir,

Your most obedient servant,

B Foy Nan

Director,
Mysore Geological Department.

M.R/3.

APP. F. VI. Gl.]

SUBJECT.....

.....

.....

Section Encr

File No. 77-25

Seria No. 6

No. I.C. 491/26 two pro. with 5 encls

To the Dir of Encr

.....

Sir

With reference to Correspondence ending with your letter No 5744-3/ of 3.6.26 I am directed to return herewith the two marginally noted 3½% Govt of India Pro notes of the face value of Rs. 6000/- each duly endorsed by the Chief Secy. to Govt in favour of the Dewan of Mysore. The receipt of the two pro notes may be acknowledged.

I have the honour to be Sir Your most obedient servant

Secy. to Govt.

Rev. Dept.

Diary No. of letter replied to 6376

General and Revenue Secretariat

( )

the *192*

Date of issue 29/7/26

Signed by M.V.V. Chary

No. 032001 of 30.6.1854 for Rs. 6000/-

No. 031999 of 30.6.1854 for Rs. 6000/-

List of enclosures.....

Copied by.....

Examined by.....

29.7.26

over

WD 0562—GPB—31,000—17-8-25

05803

Geol. 71-25-7.

M.G.D.12.]

No. 524-8

GEN. & REV. SECRETARIAT
3-AUG 1926
INDUSTRIES & COMMERCE BRANCH.

Dated, Bangalore,

31-7-1926

8671

FROM

B. JAYARAM, ESQ., F.G.S.,
Director, Mysore Geological Department.

GEN. & REV. SECTT.
PR. To
2 AUG. 1926
G. D. SECTION.

C. Ranganatha Rao Saheb, Esq., B.A.,B.L.,
Secretary to the Government of
His Highness the Maharaja of Mysore
REVENUE DEPARTMENT.

SIR,

I have the honour to acknowledge with thanks the receipt of the two Government of India Pro-Notes of Rs.500/- each forwarded with your letter No.I.C.491/Geol 71-25-6 dated 29th July 1926, re-endorsed as required, by the Chief Secretary to Government in favour of the Dewan of Mysore

I have the honour to be,
S i r,
Your most obedient servant,

B. Jayaram

D i r e c t o r,
Mysore Geological Department.

B.N.L/31.